

§ 2529.30

loan if the date of the individual's release, the holder of the loan shall document to the Corporation the amount of accrued interest as of the date of the release, and the Corporation will pay all or a portion of such interest and notify the individual and the holder of the loan of the payment.

(2) The percentage of the accrued interest that the Corporation will pay pursuant to paragraph (b)(1) of this section is equal to lesser of—

(i) The product of—

(A) The number of hours of service completed divided by the number of days for which forbearance was granted; and

(B) 365 divided by 17; and

(ii) 100.

(3) The individual is responsible for the repayment of any accrued interest that is not paid by the Corporation pursuant to paragraph (b)(2) of this section.

(4) If the individual does not successfully complete the required term of service and is not eligible for a pro-rated education award under § 2527.10(c) of this chapter or pro-rated Stafford Loan Forgiveness under § 2522.605(c) of this chapter, the Corporation will notify the holder of the loan of the circumstances and date of the individual's release but will pay no portion of the accrued interest.

(c) *Suspended service.* The Corporation will not pay any interest expenses that accrue on an individual's qualified student loan(s) during a period of suspended service.

§ 2529.30 What additional student loan forbearance benefits are available for VISTA volunteers?

(a) VISTA volunteers may be eligible to have periodic installment payments of principal deferred for up to three years during periods of economic hardship, in accordance with the Higher Education Act of 1965, as amended.

(b) VISTA volunteers also may qualify for interest benefits on Stafford loans from the Department of Education under 34 CFR 682.301.

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PART 2530—PURPOSES AND AVAILABILITY OF GRANTS FOR INVESTMENT FOR QUALITY AND INNOVATION ACTIVITIES

Sec.

2530.10 What are the purposes of the Investment for Quality and Innovation activities?

2530.20 Funding priorities.

AUTHORITY: 42 U.S.C. 12501 *et seq.*

2530.10 What are the purposes of the Investment for Quality and Innovation activities?

Investment for Quality and Innovation activities are designed to develop service infrastructure and improve the overall quality of national and community service efforts. Specifically, the Corporation will support innovative and model programs that otherwise may not be eligible for funding; and support other activities, such as training and technical assistance, summer programs, leadership training, research, promotion and recruitment, and special fellowships and awards. The Corporation may conduct these activities either directly or through grants to or contracts with qualified organizations.

[59 FR 13806, Mar. 23, 1994]

§ 2530.20 Funding priorities.

The Corporation may choose to set priorities (and to periodically revise such priorities) that limit the types of innovative and model programs and support activities it will undertake or fund in a given fiscal year. In setting these priorities, the Corporation will seek to concentrate funds on those activities that will be most effective and efficient in fulfilling the purposes of this part.

[59 FR 13806, Mar. 23, 1994]

PART 2531—INNOVATIVE AND SPECIAL DEMONSTRATION PROGRAMS

Sec.

2531.10 Military Installation Conversion Demonstration programs.